1. Course Descriptions:

Surveys the international aspects of financial management. Topics include the international currency arrangement for the settlement of private and public transactions; the theory of international financial adjustments; functions of financial institutions including the Federal Reserve System, the Euro-currency market, and IMF; financing of international trade; foreign exchange markets; management of currency exposure; estimating country debt-servicing capacity; and external debt-financing problems.

Student Learning Outcomes: This course provides an overview of the global financial environment. The course heavily emphasizes both foreign exchange-rate risk management and corporate strategy for foreign direct investment. Additionally, the course presents an extensive (case study) discussion of the international capital budgeting decision process as it pertains to the special risks associated with international investing such as political, sovereign risk, and inflation risk. The perspective of international mergers and acquisitions is also explored. Students will learn about the factors that cause these terms and how to evaluate their impact on firms in an international environment.

Prerequisite: FI 203 (or FI 100) or FI 300A.

2. Method of Instruction: A typical lecture will consist of five components designed to reinforce the learning process:

- **Lecture notes** tied to the textbook (PowerPoint presentation).
- **Problem solving** (applying the concepts / theories learned in the chapter to problem solving). Also Excel is incorporate into problem-solving in certain chapters.
- **Industry practices** / reality checks into the real world applications.
- **Team-based in class practices** using Excel and other tools.
- **Perspectives from your fellow classmates**.

3. Required Textbook


**Additional readings** from leading financial and investment journals and publications such as
Harvard Case Studies:

Please order any two cases for deep-dive analysis from Harvard website listed below. You can pick any cases that fit your personal & professional interests. Please first register (via the website) and then type the case # in the Search box (e.g. 705-449). After that, please click “Buy PDF for $6.95”. Keep shopping until you purchase all the listed cases. The website also provides an overview of each case.

http://hbr.org/search

Recommended List:
Option #1:
- Case 1: Hedging Currency Risk at TT Textiles
- Case 3: International Entrepreneurial Finance
- Case 4: Managing Differences: The Central Challenge of Global Strategy
- Case 5: Antrix Corporation Limited: A strategy for the global market
- Case 6: Farallon Capital Management: Risk Arbitrage (A)

Option #2:
- Case 7: Taxation in a Global Economy
- Case 8: Whirlpool Corporation's Global Strategy
- Case 9: Supply Chain Management at International Automotive
- Case 10: The Greek Crisis: Tragedy or Opportunity?
- Case 11: BMW: Currency Hedging 2007
- Case 12: Global Equity Markets: The Case of Royal Dutch and Shell

Financial Calculator:
You need to have a financial calculator by our second meeting and you should bring it to every class. You can use any financial calculator as long as it has all the functions we use in class, including PV, FV, cash flow calculations (models: HP10B, HP 12C, HP 17B, TI BA II, ). Alternatively, you need to have access to a PC with MS-Excel applications.

Book Store
To purchase course books and materials from eFollett, GGU's official online bookstore, go to www.ggu.bkstr.com/.

University Library

There are several databases available through the Golden Gate University Library for students to conduct research on various topics. Remote (off campus) access to the databases requires your last name and student ID# (located on the front of your ID card).

4. Teaching Style
Reading materials, online discussions, problem solving, case studies, practice questions.

5. Class Expectations
Class participation is important and can favorably affect your grade. Minimum acceptable participation is regular participation in weekly discussion forums and completion of the specific assignments. Selected practice questions / problems will be assigned.

6. Course Procedure
You will have assigned reading to be done prior to each class. Between classes you will practice on the selected practice questions. You will also be expected to complete one mid-term exam and the final comprehensive exam (consisting of the supervised portion and the take-home part). In additions, you are required to submit two Harvard case research papers and one Corporate Security Analysis project.

7. Course Evaluations
The Exams will be combinations of multiple choice and essay questions and problems.

8. Grading Policy

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<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Class Participation / Online Forum</td>
<td>15%</td>
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<tr>
<td>Harvard Case Studies (2 cases)</td>
<td>25%</td>
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<tr>
<td>Mid-term Exam</td>
<td>25%</td>
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<tr>
<td>Final Exam (Comprehensive)</td>
<td>35%</td>
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9. Academic Integrity Policy
GGU's Policy on Student Academic Integrity is in effect at all GGU teaching locations, including regional classroom sites, corporate sites, and distance courses delivered in any medium. This policy applies to all business, taxation, and technology students at Golden Gate University.

Academic integrity means doing academic work in a manner that strives to achieve the learning objectives your courses have set out for you. It means that you follow the rules and procedures prescribed by your instructors so that you acquire the skills and knowledge your courses are designed to give you. It means that you engage in ethical practices in taking tests and doing assignments and that you respect intellectual property rights by fully disclosing sources of information that appear in your papers and presentations.

GGU provides many resources and services that assist you in learning the required research and documentation skills. Please read GGU’s Policy on Student Academic Integrity: Policy on Student Academic Integrity.

10. Disability Accommodations
Golden Gate University seeks to ensure that all programs and services are fully accessible to students with disabilities who identify and express their needs.

Information regarding The Americans with Disabilities Acts and GGU’s policies and services can be found at: http://www.ggu.edu/student_services/disability_services.

COURSE OUTLINE

<table>
<thead>
<tr>
<th>Weeks</th>
<th>Tentative Topics</th>
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<tbody>
<tr>
<td>Week 1</td>
<td>Globalization and the multinational Firm (Chapter 1)</td>
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<td>Week 2</td>
<td>Corporate Governance Around the World (Chapter 4)</td>
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<td>Week 3</td>
<td>The Market for Foreign Exchange (Chapter 5)</td>
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<td>Week 4</td>
<td>International Parity Relationships and Forecasting Foreign Exchange Rates (Chapter 6)</td>
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<td>Week 5</td>
<td>Future and Option on Foreign Exchange (Chapter 7)</td>
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<td>Week 6</td>
<td>International Banking and Money Market (Chapters 11)</td>
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<td>Week 7</td>
<td>International Bond Market (Chapter 12)</td>
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<td>Week 8</td>
<td>Mid-term Exam</td>
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<tr>
<td>Week 9</td>
<td>International Equity Markets (Chapter 13)</td>
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</table>
Week 10 Interest Rate and Currency Swaps (Chapters 14)
Week 11 International Portfolio Investment (Chapters 15)
Week 12 Foreign Direct Investment and Cross-Border Acquisition (Chapters 16)
Week 13 International Capital Budgeting (Chapters 18)
Week 14 Multinational Cash Management (Chapters 19)
International Trade Finance (Chapters 20)
Week 15 Team Presentation; Final Exam (supervised part)

About Harvard Business Cases

Each student is required to choose two cases for deep-dive analysis. You can choose any two cases from the list that meet your personal & professional interests.

Harvard case study is more like "position paper". You would review the literature (the case), list out the different options / approaches / alternatives, discuss & assess the strengths and weaknesses of each alternative, and then select your own approach / make a recommendation. The course website contains a sample case write-up on "Pine Street Capital" for your reference.

Sample Guidance (“Citibank Capital Arbitrage” for demo purpose):

Provide a business report (about 8-10 pages, including cover page, Table of Contents, Reference; graduate school-level quality) that includes:

• Overview: the issues / business case; the parties involved.
• Proposed solutions: Strength analysis.
• Proposed solutions: Potential risks involved in this credit derivative deal.
• Critique / evaluate on the proposed “talk points” to clients.
• Develop a set of recommendations supported by your analysis. Evaluate alternative proposals (pros and cons). Address the implementation issues in an applied corporate setting. Discuss or elaborate potential risk concerns (if applicable).
• Provide some analysis of the bond features in Exhibit 1, e.g. coupon frequency, discount vs. premium bond, etc.
• Concluding remarks; Reference.